Postal Regulatory Commission Submitted 4/7/2022 1:14:28 PM Filing ID: 121384 Accepted 4/7/2022 ORDER NO. 6146

## UNITED STATES OF AMERICA POSTAL REGULATORY COMMISSION WASHINGTON, DC 20268-0001

Before Commissioners: Michael Kubayanda, Chairman;

Ann C. Fisher, Vice Chairman;

Mark Acton;

Ashley E. Poling; and

Robert G. Taub

Market-Dominant Price Change

Docket No. R2022-1

# NOTICE AND ORDER ON PRICE ADJUSTMENTS AND CLASSIFICATION CHANGES FOR MARKET DOMINANT PRODUCTS

(Issued April 7, 2022)

#### I. INTRODUCTION

On April 6, 2022, the Postal Service filed a notice of price adjustments affecting market dominant domestic and international products and services, along with proposed classification changes to the Mail Classification Schedule (MCS).<sup>1</sup> The planned price adjustments described in the Notice are the second to be filed and reviewed pursuant to the new regulations of 39 CFR part 3030, which were finalized in Order No. 5763 and include new forms of rate authority.<sup>2</sup> The intended effective date for the planned price

<sup>&</sup>lt;sup>1</sup> United States Postal Service Notice of Market-Dominant Price Change, April 6, 2022 (Notice).

<sup>&</sup>lt;sup>2</sup> Docket No. RM2017-3, Order Adopting Final Rules for the System of Regulating Rates and Classes for Market Dominant Products, November 30, 2020 (Order No. 5763).

adjustments is July 10, 2022. Notice at 1. The Notice, which was filed pursuant to 39 CFR part 3030, triggers a notice-and-comment proceeding. 39 CFR 3030.125.

#### II. OVERVIEW OF THE POSTAL SERVICE'S FILING

The Postal Service's filing consists of the Notice, which the Postal Service represents addresses data and information required under 39 CFR 3030.122 and 39 CFR 3030.123; three attachments (Attachments A-C) to the Notice; and five public library references and one non-public library reference.

Attachment A presents the planned price and related product description changes to the MCS. Notice, Attachment A. Attachments B and C address workshare discounts and the price cap calculation, respectively. *Id.* Attachments B and C.

The five public library references provide supporting documentation for the five classes of mail.<sup>3</sup> The Postal Service also filed a library reference pertaining to the two international mail products within First-Class Mail (Outbound Single-Piece First-Class Mail International and Inbound Letter Post) under seal and applied for non-public treatment of those materials.<sup>4</sup>

The Postal Service's planned percentage changes by class are, on average, as follows:

<sup>&</sup>lt;sup>3</sup> USPS Notice of Filing Public Library References, April 6, 2022, at 1.

<sup>&</sup>lt;sup>4</sup> USPS Notice of Filing USPS-LR-R2022-1-NP1, April 6, 2022, at 1, Attachment 1.

Market Dominant Class	Planned Price Adjustment (%)
First-Class Mail	6.506
USPS Marketing Mail	6.500
Periodicals	8.540
Package Services	8.511
Special Services	6.442

#### Notice at 4.

Price adjustments for products within classes vary from the average. See, e.g., id. at 6, 11 (Table 6 showing range for First-Class Mail products and Table 8 showing range for USPS Marketing Mail products). Most of the planned adjustments entail increases to market dominant rates and fees; however, in a few instances, the Postal Service proposes either no adjustment or a decrease. See id. at 11, 12, 25.

The Postal Service identifies the effect of its proposed classification changes on the MCS in Attachment A. *Id.* at 28; *id.* Attachment A. The Postal Service also notes that the promotions offered by the Postal Service in 2022 are not proposed to change as a result of this proceeding. Notice at 26.

#### III. INITIAL ADMINISTRATIVE ACTIONS

Pursuant to 39 CFR 3030.124(a), the Commission establishes Docket No. R2022-1 to consider the planned price adjustments for market dominant postal products and services, as well as the related classification changes, identified in the Notice. The Commission invites comments from interested persons on whether the Postal Service's planned price adjustments are consistent with applicable statutory and regulatory requirements. 39 CFR 3030.125. The applicable statutory and regulatory requirements the Commission considers in its review are the requirements of 39 CFR part 3030, Commission directives and orders, and 39 U.S.C. 3626, 3627, and 3629. 39 CFR 3030.126(b). Comments are due no later than May 6, 2022. 39 CFR 3030.124(f).

The public portions of the Postal Service's filing are available for review on the Commission's website (http://www.prc.gov). Comments and other material filed in this proceeding will be available for review on the Commission's website, unless the information contained therein is subject to an application for non-public treatment. The Commission's rules on non-public materials (including access to documents filed under seal) appear in 39 CFR part 3011.

Pursuant to 39 U.S.C. 505, the Commission appoints Kenneth E. Richardson to represent the interests of the general public (Public Representative) in this proceeding.

### IV. ORDERING PARAGRAPHS

It is ordered:

- The Commission establishes Docket No. R2022-1 to consider the planned price adjustments for market dominant postal products and services, as well as the related classification changes, identified in the Postal Service's April 6, 2022 Notice.
- 2. Comments on the planned price adjustments and related classification changes are due no later than May 6, 2022.
- Pursuant to 39 U.S.C. 505, Kenneth E. Richardson is appointed to serve as an
  officer of the Commission to represent the interests of the general public (Public
  Representative) in this proceeding.

4. The Commission directs the Secretary of the Commission to arrange for prompt publication of this notice in the *Federal Register*.

By the Commission.

Erica A. Barker Secretary